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Subject: Monitoring of Press and Propaganda Broadcasts of Foreign Powers

Reference: (a) C.I.G. Directive No. 2 dated 5 March 1946.
(b) Report of Ad Hoc Committee to Survey Foreign Broadcasting Intelligence Service dated 18 March 1946.

1. The Problem:

a. During the war, the Federal Communications Commission (FCC) conducted a foreign broadcast intelligence service (FBIS) which monitored press and propaganda broadcasts of foreign powers. The FCC was in process of liquidating this agency when its functions were taken over by the War Department on an interim basis on 30 December 1945.

b. The product of the FBIS was valuable to State Department, to the intelligence agencies of the War and Navy Departments, to the Federal Bureau of Investigation, and undoubtedly to other Departments and agencies.

c. The War Department has requested that a permanent disposition of the functions of monitoring press and propaganda broadcasts of foreign powers be determined since the interim arrangements will cease at the end of the Fiscal Year 1946.

2. Discussion:

a. The function of monitoring press and propaganda broadcasts of foreign powers is an overt means of obtaining intelligence information of use to the intelligence agencies of State, War and Navy Departments.

b. (1) The function of monitoring press and propaganda broadcasts of foreign powers was originally undertaken by FBIS under the FCC early in 1944 as a result of recommendations made by the Defense Communications Board.

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(2) The FHS was organized functionally into an office of the Director which gave general supervision to the service; a Monitoring Division responsible for making up the monitoring schedule for all FHS stations and of providing excerpts from programs monitored near Washington; A Publications Division responsible for preparing and issuing reports on incoming broadcasts for rapid distribution to government agencies requesting them and for maintaining a central background file; an Administrative Services Division responsible for mimeographing, collating, and distributing the processed reports and a field organization responsible for operating field stations located at strategic points for interception of foreign broadcasts not monitored in the Washington area. In addition, the field organization contained offices located at London and Cairo which have access to similar material monitored by BBC and MOI respectively.

(3) The War Department was informed in December 1945 that the FCC was in process of liquidating the FHS. The War Department thereupon expanded its monitoring program to meet the need arising from this liquidation. The War Department employed former FHS personnel, effective 30 December 1945, and all FHS facilities, including those held by lease or contract, were acquired by the War Department on loan or by transfer. The War Department arranged for the renegotiation of outstanding leases and contracts. It acquired by loan fixed facilities and equipment owned by FCC necessary to continued FHS operations.

c. The function of monitoring foreign press and propaganda broadcasts should be continued since it is of value to the intelligence agencies of War, State, and Navy. The necessary budget arrangements to maintain this function should be made for the Fiscal Year 1947. The War Department is the only agency now prepared to undertake this budget

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problem and it has included the necessary funds in its budget requirements.

d. It appears that the present organization carrying on the former functions of the FHB under War Department direction should be liquidated for the following reasons:

(1) The function should be continued as an intelligence information collecting agency only. At present, its reports are circulated freely to any organizations or persons requesting same, including foreign agencies. Its product should be restricted to authorized intelligence agencies if proper intelligence direction is to be given to its activities.

(2) The personnel working in the organization should be screened for security prior to being accepted in the new organization undertaking this function. This is essential since disclosure of the direction given to the activities of the organization will necessarily provide intelligence information to any foreign country.

e. Central direction of the activities of the organization is required. Since the product of this organization is of use to State, War, and Navy in varying degrees, central direction is necessary to insure that the specific needs of the different Departments are considered. This direction could be given by a committee composed of a chairman and coordinator from the Central Intelligence Group and members from A-2, G-2, ORI, and ONI.

f. Any one of the three Departments concerned could operate this agency. Certain preliminary steps would be required before State or Navy could undertake its operating, including:

- (1) Provision for the necessary administration and supply.
- (2) Transfer of the budget from War Department to the operating Department.
- (3) Arrangement for the necessary communication facilities

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2. h. Operation of this agency appears therefore to come under the provisions of sub-paragraph 3g of the President's Directive of 22 January 1946 which stated that: "Subject to the existing law, and to the direction and control of the National Intelligence Authority, the Director of Central Intelligence shall * * * g. perform, for the benefit of said Intelligence Agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished centrally." Continued operation of this function by the War Department after liquidation of the existing organization is undesirable since it would practically deny the liquidation and since it would require militarization of the new organization with the attendant delays. Operation by the State Department at this time is not considered desirable, due to the fact that it would depend on the Office of Research and Intelligence continuing to be organized as a central intelligence facility. Operation by the Navy is not considered desirable since it appears to obtain less value from the performance of this function than either of the other two interested Departments. It is therefore believed that this operation can be more efficiently accomplished centrally under the C.I.O.

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between the field and Washington.

(h) Screening of personnel for security purposes.

State Department operation hinges on the continuance of the office of Research and Intelligence. Continued operation by the War Department would require screening of the personnel also.

g. Operation under C.I.G. control would require that the same steps be taken as outlined in f above with particular emphasis on arrangements being made for the necessary administration and supply.

3. It is concluded that:

a. The function of monitoring foreign press and propaganda broadcasts should be continued under the C.I.G.

b. The present organization fulfilling this function under War Department direction should be liquidated and the War Department should continue operational control during the liquidation.

c. The Central Intelligence Group should take over direction of this function, including the period of liquidation. This should be done by provision for a committee with C.I.G. chairmanship, membership by A-2, G-2, ORI, and ONI.

d. The Director of Central Intelligence should be responsible for issuing the necessary directives to effect the liquidation.

e. The Director of Central Intelligence should be responsible for determining which funds, personnel and facilities are required by the C.I.G. to continue the functions and for making the necessary administrative arrangements for their transfer. He should be responsible also for determining what additional facilities are required to be continued by the State, War and Navy Departments (such as communication facilities) and for making the necessary arrangements. In addition, he should determine when the C.I.G. is capable of taking over the function

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and operating the organization required to carry it on.

f. The War Department should take the necessary budgetary action to carry out this program.

h. Recommendations:

It is recommended that:

a. The conclusions contained in paragraph 3 above be approved.

b. Each member of the Intelligence Advisory Board designate a member of a committee for which the C.I.G. will furnish the chairman and whose function will be to give direction to the function of monitoring press and propaganda broadcasts of foreign powers.

c. The draft directive in enclosure A, implementing the conclusions, be approved for submission to the N.I.A.